

Application No.: 10/617,295  
Filing Date: July 10, 2003  
First Named Inventor: James Michael Odom  
Reply to the Office Action of September 14, 2007  
Amendment Dated: November 6, 2007  
Attorney Docket No.: MOD034

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Amendments to the Claims:

This listing of claims will replace all prior versions and listings of claims in the application.

Listing of Claims:

Claims 1-107 (cancelled)

108. (currently amended) A method of trading stocks, options, or futures representing real world events, the method comprising:

providing a virtual trading floor for registered members to trade the stock, options, or futures;

registering members of the virtual trading floor;

issuing shares of stock, options, or futures by a governing body of a trading floor to registered members of the trading floor, the members paying for the shares of stock, options, or futures from their respective accounts at the trading floor, the shares of stock, options, or futures representing an outcome of a real world event having a clearly defined outcome and not representing an ownership interest in the entity involved in the real world event;

selling to a first user a first stock, option, or future representing the outcome of a real world event, the proceeds from the sale by the governing body of the first stock, option, or future going in to a depository;

selling to a second user a second stock representing the opposite outcome of the real world event, the proceeds from the sale by the governing body of the first stock, option, or future going in to a depository; and

upon the occurrence of the real world event, paying from the depository to the holders of the shares of stock, option or future representing the correct choice of the outcome of the event, the amount of the payment being determined by the outcome of the event and the rules of the particular event.

109. (cancelled)

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110. (currently amended) The method of claim 108 in which issuing shares of stock, options, or futures ~~by a governing body of a trading floor, the stock options, or futures representing an outcome of a real world event~~ includes issuing shares of stock, options, or futures representing the outcome of a sporting event.

111. (currently amended) The method of claim 108 in which issuing shares of stock, options, or futures ~~by a governing body of a trading floor, the stock options, or futures representing an outcome of a real world event~~ includes issuing shares of stock, options, or futures representing the outcome of a political event.

112. (currently amended) The method of claim 111 in which ~~includes~~ issuing shares of stock, options, or futures representing the outcome of a political event includes issuing shares of stock, options, or futures representing the outcome of an election.

113. (new) The method of claim 108 in which paying the holders of the shares of stock, option or future representing the correct choice of the outcome of the event includes paying an amount determined by the outcome of the event and the rules of the particular event

114. (new) The method of claim 108 in which registered members trade shares of stock, options, or futures on the virtual trading floor and further comprising limiting registered members to trading the amount of stock or the amount of money in their account.

115. (new) The method of claim 108 in which registered members trade shares of stock, options, or futures on the virtual trading floor and further comprising clearing trades between registered members into corresponding accounts of the registered members involved in the trades.

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116. (new) The method of claim 115 in which:  
providing a virtual trading floor for registered member to trade the stock, options, or futures includes:  
receiving from a first registered member of the trading floor over a computer network an offer to trade a share of stock, the share of stock being in an account of the first registered member at the trading floor;  
receiving from a second registered member over a computer network an offer to buy the share of stock, the money to buy the share of stock being in an account of the second registered member at the trading floor; and  
associating in real time the offer by the first registered member with the offer by the second registered member; and  
in which clearing trades between registered members into corresponding accounts of the registered members involved in the trades includes:  
transferring money paid by the second registered member from the account of the second registered member to the account of the first registered member; and  
transferring the share of stock from the account of the first registered user to the account of the second registered user,  
in which the stock and the money are in accounts administered by the trading floor so that neither registered member can default after a trade is arranged and upon real time clearing are available immediately to the second registered member and the first registered member, respectively, for additional trading on the exchange.

117. (new) The method of claim 108 in which issuing shares of stock, options, or futures to registered members of the trading floor includes issuing shares of stock, options, or futures by a governing body of the trading floor.

118. (new) The method of claim 108 in which issuing shares of stock, options, or futures to registered members of the trading floor includes issuing shares of stock, options, or

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futures at a par value.

119. (new) A method of trading shares of stock representing real world events on an electronic, network-based exchange system having a virtual trading floor, the method comprising:

providing a trading floor on which stock can be traded over an electronic network by members of the trading floor;

registering members of the trading floor;

providing accounts for the members of the trading floor;

selling an initial offering of stock to members of the trading floor, the stock representing an outcome of a real world event having a clearly defined outcome and not representing an ownership interest in the entity involved in the real world event;

assigning a symbol to the stock; and

clearing trades of shares of stock between the trading floor members into the accounts of the trading floor members.

120. (new) The method of claim 119 in which providing a trading floor on which stock can be traded over an electronic network by members of the trading floor includes limiting trades by trading floor members to the amount of stock or the amount of money in their accounts.

121. (new) The method of claim 119 in which selling an initial offering of stock to trading floor members includes selling stocks, options, or futures.

122. (new) The method of claim 119 in which selling an initial offering of par value stock to trading floor members, the stock representing an outcome of a real world event includes selling an initial offering of stock representing a sports team in a championship competition, a politician in a political election, or a movie in competition for an Oscar.

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123. (new) The method of claim 119 in which:  
providing a trading floor on which stock can be traded over an electronic network by members of the trading floor includes:  
receiving from a first member of the trading floor over a computer network an offer to trade a stock, the stock being in an account of the first member at the trading floor;  
receiving from a second member over a computer network an offer to buy the stock, the money to buy the stock being in an account of the second member at the trading floor; and  
associating in real time by a trading floor processor the offer of the first member with the offer of the second member; and  
clearing trades of shares of stock between the trading floor members into the accounts of the trading floor members includes:  
transferring money paid for the stock by the second member from the account of the second member to the account of the first member; and  
transferring the stock from the account of the first registered member to the account of the second member,  
in which the stock and the money are in accounts administered by the trading floor so that neither member can default after a trade is arranged and upon real time clearing are available immediately to the second registered member and the first registered member, respectively, for additional trading on the exchange.

124. (new) A computer programmed to trade shares of stock representing real world events on an electronic, network-based exchange system having a virtual trading floor, the computer programmed to perform the following steps:  
providing a trading floor on which stock can be traded over an electronic network by members of the trading floor;  
registering members of the trading floor;

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providing accounts for the trading floor members;  
selling an initial offering of stock to members of the trading floor, the stock representing an outcome of a real world event having a clearly defined outcome and not representing an ownership interest in the entity involved in the real world event;  
assigning a symbol to the stock; and  
clearing trades of shares of stock between the trading floor members into the accounts of the trading floor members.